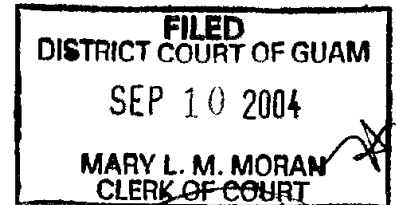


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Attorneys for Defendant Hongkong and Shanghai Banking Corporation, Ltd.

DISTRICT COURT OF GUAM

ALAN SADHWANI, LAJU
SADHWANI, and K. SADHWANI'S
INC., a Guam corporation,

Plaintiffs,

v.

HONGKONG AND SHANGHAI
BANKING CORPORATION, LTD.,
et al.,

Defendants.

CIVIL CASE NO. 03-00036

**DECLARATION OF JACQUES G.
BRONZE IN SUPPORT OF HSBC'S
MEMORANDUM OF POINTS AND
AUTHORITIES IN OPPOSITION TO
PLAINTIFFS' MOTION TO COMPEL
ANSWERS TO DEPOSITION
QUESTIONS; TO RE-DEPOSE
FREDERICK GRANILLO; FOR
PRODUCTION OF DOCUMENTS;
FOR SANCTIONS**

I, **JACQUES G. BRONZE**, hereby declare and state as follows:

1. All matters herein are based on my own personal knowledge.
2. I am over 18 years of age, and legally competent to testify to the facts below and I do so based upon my own personal knowledge.

3. I am co-counsel of record for Hongkong and Shanghai Banking Corporation, Ltd., (“HSBC”), in the above-entitled matter.

4. On February 23, 2004, HSBC served its Supplemental Objections and Responses to Plaintiffs’ First Set of Request for Production of Documents.

5. The last supplemental response relating to Plaintiffs’ First Set of Request for Production of Documents was served on Plaintiffs on July 16, 2004.

6. HSBC’s Third Supplemental Objections and Responses to Plaintiffs’ Third Set of Requests for Production of Documents and HSBC’s Third Supplemental Objections and Responses to Plaintiffs’ First Set of Request for Production of Documents were served on Plaintiffs’ counsel on July 13 and 14, 2004.

7. A true and correct copy of Plaintiffs’ Third Set of Requests for Production of Documents is attached hereto as Exhibit “1.”

8. HSBC’s General Manager on Guam, Mr. I.C. Underwood, was deposed on July 29, 2004, however, HSBC’s counsel does not have the transcripts of the deposition as of the date of filing of this Declaration.


9. On August 9, 2004, Plaintiffs’ took the deposition of HSBC’s former Compliance Officer, Ms. Cathy Champaco. She testified that part of her duties was to maintain the bank’s policy manuals including any policies relating to the confidentiality of the customer’s account information.

10. A true and correct copy of the Loan Purchase Agreement executed between Paradise Marine Corporation and HSBC is attached to this Declaration as Exhibit “2,” however, due to the Stipulated Protective Order, Exhibit “2” would be found in a separate sealed envelope.

11. Although sometime in November 2003, I went to McCully & Beggs' office with HSBC Guam's General Manager to review Sadhwani's loan files, I did not spend more than an hour and a half there. My review was limited to cursory review of the security files and selecting various loan security documents which was scanned by Mr. I.C. Underwood.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

EXECUTED this 10th day of September 2004.



JACQUES G. BRONZE

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ANITA P. ARRIOLA
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Counsel for Plaintiffs Alan Sadhwani, et al.

IN THE UNITED STATES DISTRICT COURT OF GUAM

ARRIOLA, COWAN & ARRIOLA, HAGATNA, GUAM 96910

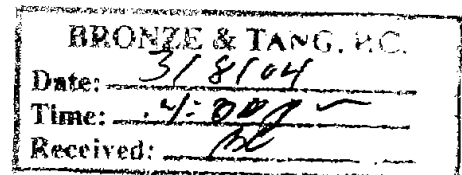
ALAN SADHWANI, LAJU
SADHWANI, and K. SADHWANI'S
INC., a Guam corporation,
Plaintiffs,

vs.

HONGKONG AND SHANGHAI
BANKING CORPORATION, LTD., a
Foreign corporation, JOHN DOE I
through JOHN DOE X,
Defendants.

) CIVIL CASE NO. 03-00036

) PLAINTIFFS' THIRD SET OF
) REQUESTS FOR PRODUCTION OF
) DOCUMENTS



TO: DEFENDANT HONGKONG SHANGHAI BANKING CORPORATION, LTD.
AND ITS COUNSEL OF RECORD JACQUES A. BRONZE

Plaintiffs Alan Sadhwani, et al. request that defendant produce and permit plaintiffs to inspect and to copy each of the following documents.

The place of inspection shall be Arriola, Cowan & Arriola, 259 Martyr Street, Suite 201, Hagatna, Guam 96910. The date and time for inspection shall be April 7, 2004, at 9 a.m., and continuing so long as is reasonably required.

EXHIBIT 1

DEFINITIONS

As used herein, the following definitions shall apply:

a. YOU and YOUR means HongKong Shanghai Banking Corporation, Ltd. ("HSBC"), its predecessors, agents, employees, representatives, attorneys, officers, assistants, directors, and consultants, including any experts YOU expect to call as witnesses in this action.

b. "DOCUMENTS" includes, but not to be limited to, handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any written, recorded, or graphic matter however produced or reproduced, including, but not limited to, electronic files, documents, records or data, documents stored in or retrievable by computer, memoranda, reports, studies, analyses, contracts, agreements, checks, charts, graphs, indices, data sheets, computer disks, data processing cards or tapes, notes, post-its, work papers, entries, letters, telegrams, telecopies (including facsimiles), internal memoranda, advertisements, brochures, circulars, catalogs, tapes, records, bulletins, papers, books, pamphlets, accounts, calendars, or diaries. The term "document" or "documents" shall also include any carbon or photographic or any other copies, reproductions, or facsimiles or any original, and shall mean the original and any copy or reproduction or facsimile that is in any way different from the original.

c. "Plaintiffs' Loan" means Installment Loan No. 10003-361, with HSBC as Lender and the plaintiffs as Borrower/Guarantors.

d. "PMC" means Paradise Marine Corporation.

REQUESTS FOR PRODUCTION OF DOCUMENTS

The documents to be produced are:

1. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to Joseph K. Fang from January 1, 1999 through the date of this request.

2. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to any member of Joseph K. Fang's family (wife, children, siblings or parents) from January 1, 1999 through the date of this request.

3. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to any corporation, partnership, sole proprietorship, company or entity in which Joseph K. Fang has any ownership interest, from January 1, 1999 through the date of this request.

4. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to any corporation, partnership, sole proprietorship, company or entity in which any member of Joseph K. Fang's family (wife, children, siblings or parents) has any ownership

interest, from January 1, 1999 through the date of this request.

5. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to PMC from January 1, 1999 through the date of this request.

6 All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to any corporation, partnership, sole proprietorship, company or entity in which Joseph K. Fang is an officer or director, from January 1, 1999 through the date of this request.

7 All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities extended by YOU to any corporation, partnership, sole proprietorship, company or entity in which any member of Joseph K. Fang's family (wife, children, siblings or parents) is an officer or director, from January 1, 1999 through the date of this request.

8. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities, other than Plaintiffs' Loan, which were sold, transferred or assigned by YOU to PMC from January 1, 2002 through the date of this request

9. All DOCUMENTS concerning, relating to, or comprising any loan agreements, letters of credit, promissory notes, or other credit facilities, other than Plaintiffs' Loan, which were sold, transferred or assigned by YOU to parties other than

PMC, from January 1, 2002 through the date of this request.

10. All DOCUMENTS that address, refer to, or relate to any discounts on loan balances extended by YOU to any of YOUR bank customers, other than Plaintiffs, from January 1, 2002 through the date of this request.

11. All DOCUMENTS that address, refer to, or relate to any "friendly foreclosures", as that term is used by YOU in Exhibit G attached to Plaintiffs' Complaint, between YOU and any of YOUR bank customers, other than Plaintiffs, from January 1, 2002 through the date of this request.


12. All DOCUMENTS that address, refer to, or relate to the refinancing of loan balances by any of YOUR bank customers, other than Plaintiffs, from January 1, 2002 through the date of this request.

13. All DOCUMENTS concerning, relating to, or comprising communications between YOU and any bank, savings and loan, or financial institution regarding the sale, transfer or assignment of Plaintiffs' Loan, from January 1, 2000 through August 11, 2003.

Dated: March 8, 2004.

ARRIOLA, COWAN & ARRIOLA

Attorneys for Plaintiffs Alan Sadhwani, et al.

By: 
ANITA P. ARRIOLA